

January 27, 2014

The regular monthly meeting of the Board of Commissioners of the Bayou Lafourche Fresh Water District was held on Monday, January 27, 2014 at 5:00 p.m. at the Water District office, 1016 St. Mary Street, Thibodaux, LA

Present were: Hugh Caffery, Chairman
Gene Harrell, Vice-Chairman
Greg Nolan, Secretary/Treasurer
Windell Curole
Jake Giardina
Juan Pickett
Francis Richard
Donald Schwab
Eli Miles, Jr.

Absent: Lance Authement, Ron Animashaun and Judge Jimmy Gaidry

Also present were: Dustin Rabalais, T. Baker Smith; Barry Marionneaux, Attorney
Gasper Chifici, CPRA Project Manager; Alma Jackson, BTNEP
Mike Sobert, General Manager, Consolidated Waterworks District
Danny Babin, Terrebonne Parish Councilman; Mike Mayeux, Land Surveyor
Ryan Allen and Christie Salvadras, Louisiana Companies Insurance
Jerry Waguespack; Robert Mire; Doodie Mire
Ben Malbrough, Executive Director; Jana Langley, Administrative Assistant

Chairman Hugh Caffery asked for nominations for the election of officers for 2014.

Gene Harrell nominated Hugh Caffery as Chairman. Motion by Greg Nolan, seconded by Gene Harrell to nominate Hugh Caffery as Chairman, and motion carried unanimously.

Jake Giardina nominated Gene Harrell as Vice-Chairman. Motion by Greg Nolan, seconded by Francis Richard to nominate Gene Harrell as Vice-Chairman, and motion carried unanimously.

Francis Richard nominated Greg Nolan as Secretary/Treasurer. Motion by Jake Giardina, seconded by Francis Richard to nominate Greg Nolan as Secretary/Treasurer, and motion carried unanimously.

Moved by Commissioner Eli Miles, Jr., seconded by Commissioner Francis Richard to dispense with the reading of the minutes, and approve the minutes of December 16, 2013. Motion carried unanimously.

Moved by Commissioner Jake Giardina, seconded by Vice-Chairman Gene Harrell to approve the accounts payable for December. Motion carried unanimously.

Moved by Commissioner Jake Giardina, seconded by Vice-Chairman Gene Harrell to approve the finance report for December. Motion carried unanimously.

Ben Malbrough reported that the pump station rehab project is about to kick off again. The generator is due to be in a couple of weeks to be set. The pumps are due to arrive towards the end of the year.

Mr. Malbrough advised that the bayou crew is still fighting the grass but it has slowed down some since with the cold water. We are still in contact with the gentlemen about using the two pieces of equipment in the bayou.

Mr. Malbrough advised that the office will be closed Tuesday due to the freezing weather and will monitor the weather situation, and decide then if we will be closed Wednesday.

Mr. Dustin Rabalais, T. Baker Smith, gave an update on the Mississippi River Reintroduction into Bayou Lafourche-Phase 2 Project as follows:

- ◆ The design cross sections are complete and they are processing that data.
- ◆ Terracon has begun their land base borings. They completed nine borings, and have approximately twenty-three remaining. The water based borings are set to begin next week.
- ◆ Meeting was held to discuss how to acquire the required land rights for the spoil disposal areas, and also the access locations.
- ◆ Barry has begun drafting proposed lease agreements for future use.
- ◆ Providence, sub-consultant that is doing the environmental work on Bayou Lafourche, has their Notice to Proceed as of last week.
- ◆ They are waiting on the Corps and DNR to get together to have a pre-application meeting to discuss the details of the permit on the front end.
- ◆ They will be getting some aerial photography of the 8.3 miles of the project.
- ◆ The project is scheduled to go to construction March 2015.

Mr. Malbrough advised that the Board received the proposed Amended By-Laws in December for review to be adopted at the meeting tonight. He reported the major change is to include the Terrebonne Parish membership, and a few other minor changes.

Moved by Commissioner Jake Giardina, seconded by Commissioner Donald Schwab and unanimously approved to adopt the Bayou Lafourche Fresh Water District Amended By-Laws effective January 27, 2014.

Mr. Malbrough advised that he had received correspondence from the State in December that the timeline for the invoices being paid to the engineering consultants for Phase 2 project was up in the air. E-mails were sent to the Board regarding the invoices.

Moved by Vice-Chairman Gene Harrell, seconded by Commissioner Eli Miles, Jr. to officially approve a loan from the General Fund to the Dredge Fund to pay the T. Baker Smith invoice in the amount of \$304,984.25. Motion carried unanimously.

Mr. Malbrough advised that the American Legion building next to the pump station in Donaldsonville is for sale. We expressed interest in buying it, and included money in our budget for this year. The American Legion has signed an agreement to allow us thirty days to get the property appraised, review the appraisal, and within ten days of receipt of that appraisal to make a decision whether or not we want to move forward to purchase the property.

Mr. Barry Marionneaux, attorney, advised that under the District statutes, the BLFWD does not have the authority to purchase property. We have included in the agreement that we can designate another public entity to purchase the property and when the statutes is amended, we would buy the property from that entity.

Commissioner Jake Giardina asked if a title search was done on the property. Mr. Marionneaux stated that there will be an appraisal, and the Board will make a decision on the appraisal. The District can't pay a penny over the appraised value according to state law. We would then enter into a purchase agreement with the seller, and part of that purchase agreement would be conditioned upon a valid merchantable title being passed.

Mr. Marionneaux advised that CPRA has agreed to include in their legislation Bayou Lafourche Fresh Water District's authority to purchase property.

Moved by Commissioner Jake Giardina, seconded by Vice-Chairman Gene Harrell and unanimously approved to sign the American Legion agreement to allow us thirty days to get the property appraised, review the appraisal, and within ten days of receipt of that appraisal make a decision whether or not to move forward to purchase the property.

Moved by Commissioner Windell Curole, seconded by Commissioner Francis Richard to approve the permit for Bridgeline Holdings, LLC, 4800 Fournace Place, Bellaire, TX, to repair a valve on a natural gas pipeline system in Assumption Parish. Motion carried unanimously.

Mr. Malbrough recommended hiring a risk management consulting company to review what the District operations are, and to make sure that all of our insurance coverage is in line. A discussion was held regarding the different options available from the risk management company.

Moved by Commissioner Windell Curole, seconded by Commissioner Jake Giardina to approve the Louisiana Companies Insurance, Baton Rouge, LA Risk Management Consulting Services Agreement Option 2 in the amount of \$16,500.00. The agreement would include providing an annual review of our insurance policies 120 days prior to renewal to review current policies and exposures to ensure accurate information is used in the renewal process. The agreement would also include an annual open claims review to provide updates on the status of all open claims, and an annual experience modifier evaluation on the workers' compensation insurance.

Mr. Mike Sobert, General Manager of Consolidated Waterworks District, advised that they are the sole provider of potable to citizens of Terrebonne Parish. They comprise of about 40% of the total people that is served in population, and have about 45,000 customers. We have had a long relationship with the Fresh Water District that goes back forty years.

Mr. Sobert stated that the voters and citizens of Terrebonne Parish voted on May 5, 2013 to join the Fresh Water District. They were guaranteed that they would be able to purchase raw fresh water in an unlimited amount at the same price that other water districts pay. In addition to that, the landowners of Terrebonne Parish agreed to pay the same millage of 2.11, and that approximately two million dollars will constitute 45% of the District's 4.2 million dollar budget.

Mr. Sobert advised that they have a problem they could use some help with. Several years ago they were invited to a meeting in Lafourche Parish, along with other water districts in the area, to talk about the possible inclusion of drain water, storm water and runoff through the Dugas Canal water structure. Lafourche Water District No. 1 and Consolidated Waterworks District strongly opposed that process at that time.

Mr. Sobert stated that time moved on and in October 2013 another meeting was called and the representatives of Lafourche Parish, the project manager for Lafourche Parish, engineering consultant David Waitz and Mr. Malbrough attended that meeting. Basically, after several hours it was decided that Lafourche Parish would get back to the three water districts and tell us what's going on. Mr. Sobert stated that little did they know at the time of the meeting they had already applied for their Coastal Use Permit with the Corps of Engineers, the EPA, and DNR.

Mr. Sobert advised that the Bayou Lafourche Fresh Water District objected to the Dugas Canal project on October 24, 2013. It was not that the BLFWD did not want people to flood. It was just that there was a lot of questions we need answered. In May 2013, the BLFWD agreed to give control to Lafourche Parish with the understanding that the canal would be plugged off at Highway 1 with an earthen dam.

Mr. Sobert showed a power point of where the Lafourche Parish Water District No. 1 and Lafort Canal is located, and the location of the proposed Dugas Canal pump station project. He advised that the BLFWD Donaldsonville pump station can pump a maximum of 350cfs, and the proposed Dugas Canal pump station project will pump 450cfs into Bayou Lafourche. He stated that is more than the BLFWD pump station can pump.

Chairman Caffery told Mr. Sobert statutorily our main goal is to keep fresh water going into the bayou for your facility. We are going to use every legal authority that we have. Chairman Caffery advised that we don't know what ultimate authority we have to stop such a pump station or to slow it down.

Mr. Marionneaux advised that he would like to have a copy of the plans. Mr. Marionneaux stated that he will formulate a letter and let the commission review and approve it. The District has an ordinance addressing structures, and it states that a permit is needed from the Fresh Water District Board. If you are going to interfere with fresh water in any way, you need a permit from this Board.

Mr. Sobert advised that their main concern is potable water. He stated that the problem is any time you put organic matter in the water it raises our cost. Last year DHH put an emergency rule raising the residuals of chlorine and it is tough. We don't need bad or worse water.

Chairman Caffery advised that on January 16th Lafourche Parish had a meeting with the project manager Joe Picciola and Jack Plaisance works for him. Chairman Caffery met with him the next day and he said that they had all agreed and directed David Waitz, the engineer, to write and distribute an operating plan for the pump station which would describe why it operates, the reason for it, and how it will operate. Commissioner Windell Curole advised that we need that before we can accept a permit.

Mr. Malbrough advised that the engineers inspected the walk across bridge in Assumption Parish, and they said it shouldn't be a problem to cut an area of the bridge to allow our equipment to cross under.

Mr. Malbrough advised that the Access Point #4 in Phase 1 project has been resolved with Mr. Don Guillot.

Mr. Malbrough advised that the large aerial map for the Board wall should be complete hopefully by the next meeting.

Mr. Malbrough advised that he had talked several months ago about exploring the options of getting out of Civil Service. Mr. Malbrough stated that he will move forward to meet with the employees go over the details of getting out of Civil Service. Each employee would have to sign a letter stating if they are in favor or not in favor of getting out of Civil Service. Chairman Caffery suggested that the Board be provided with a list pros and cons of getting out of Civil Service.

Mr. Danny Babin, Terrebonne Parish councilman, recommended that it would be beneficial to go to all the entities within the jurisdiction of the District to get a resolution of approval to present to the legislators when we present our additional purchasing authority this legislative session.

Ms. Alma Jackson, BTNEP, advised that she appreciated Ben taking them up and down the bayou to look at the problem area. She is still looking for help with dumpsters, boats, etc.

Mr. Donald Schwab advised now that Terrebonne Parish is a member of the District, he will bring it up at the February Terrebonne Parish Consolidated Government meeting to contribute to the Bayou Lafourche Cleanup.

Moved by Commissioner Jake Giardina, seconded by Commissioner Francis Richard and unanimously approved to go into Executive Session at 6:45 p.m.

Moved by Windell Curole, seconded by Commissioner Francis Richard and unanimously approved to return to regular session at 7:55 p.m.

Moved by Commissioner Windell Curole, seconded by Commissioner Francis Richard and unanimously approved to give Ben Malbrough the authority to hire Michael Mayeux, Professional Land Surveyor, provided the rates are acceptable and reasonable.

Moved by Commissioner Jake Giardina, seconded by Commissioner Windell Curole and unanimously approved the meeting adjourned at 8:00 p.m.

Hugh Caffery, Chairman

Greg Nolan, Secretary/Treasurer